

INSURE MONTANA BOARD MINUTES 8/11/2009

Those Present: Betty Beverly, Bob Marsenich, Gail Briese-Zimmer, Erin McGowan-Fincham, David Kendall, Eve Franklin, Webb Brown, Ginger Lindsey, Jill Sark, Helen Taffs, Patcharin Williams

Present by phone: Jim Edwards, Daren Engellant, Lori Holmquist, Malinda Schafman

Meeting was called to order at 1:05 pm.

Approval of Minutes: Bob moved the minutes from the previous meeting be approved as written. Betty seconded, and the motion passed unanimously.

Election of Officers: The same slate as currently serving was nominated for the upcoming term without opposition. Erin nominated Gail for Chair. Jim seconded. Approved unanimously. Gail nominated Erin for Vice-Chair. Jim seconded. Approved unanimously. Erin nominated Betty for Secretary-Treasurer. Gail seconded. Approved unanimously.

Enrollment Report: 158 new businesses enrolled in the purchasing pool, and 79 new businesses enrolled in the tax credit program as a result of the recent enrollment drive. For the pool this represents around a 35% take-up rate, down from 49% when the program initially began. Staff believes this is primarily due to the subsidy caps; businesses are finding the coverage less affordable with reduced support. Staff indicated that budget estimates should be available at the December meeting and if funds are available the Board could consider easing those caps. In November 2008 the average single premium was \$419; as of August 2009 it has risen to \$594. Average number of employees is 2.77 per business, up from 2.1 previously. Dave suggested that as part of the audit process we collect data on whether other family members have other coverage. In 2008, 20% of participants reported incomes in the top tier; in 2009 that has increased to 38%. Top tier income is based on 300% of Federal Poverty Guidelines for 2005.

New Payment Procedure: Insure Montana staff and contractors are in the process of testing the protocol for sending a single payment to BCBS. This will replace thousands of individual subsidy payments currently being made to participating individuals and businesses. The payments would be applied to the bills up front, simplifying record-keeping for participants and reducing bad debt when overpayments are uncollectable from participants. Insure Montana is looking at having the procedure in place in October. A final decision regarding October implementation will be made August 26. (**UPDATE:** *The decision was made to delay implementation until early 2010 due to concerns regarding readiness.*) Gail asked how businesses would be notified of amounts applied. Jill advised the businesses will still receive a benefits estimate broken down by employee.

Online Renewals: Testing for the online renewal process is scheduled to begin the first week of September. Insure Montana plans to handle renewal online this year and

eliminate paper renewals. Some participants will probably resist renewing online but insurance agents will be available to assist those without computers. The website will issue a confirmation number but not a printable copy, to prevent duplicate paper apps from being submitted. Additionally, once they have completed their renewal and submitted it, participants will not be able to log in again. This will keep their data secure and ensure changes are not being made to data after it has been reviewed. Board asked that participants be able to review and edit data before they submit it.

SB 135 CHIP Medicaid Match: BCBS will be in charge of data matching, locating duplicate coverage under Insure Montana and the other programs. Based upon reported income, potentially income-eligible members will be asked to move their dependents to CHIP. Medicaid will assist eligible parents with the payment of children's premiums and Insure Montana will not subsidize Medicaid participants. As several groups are now enrolled in Qualified Association Plans outside of BCBS, Insure Montana will need to work with New West and Western Mutual regarding this issue.

Plan Design Subcommittee Report: 48% of the 158 new businesses enrolled in Qualified Association Plans, mainly due to costs. The most popular QAP was a \$2,500 deductible HSA plan. The subcommittee, consisting of Erin, Connie, Gail, and Jim, is designing an alternative pool plan before September 15 for possible implementation for January 1, 2010. The next meeting is August 17. Also the committee is exploring a Medicare carve-out option. There will be a conference call for a Board vote regarding implementation of the new plan. Erin had concerns regarding prescription drug coverage under the new plan, and also wants to track how many employees set up HSA accounts. Jill was asked to research how many businesses enrolling took Standard versus Premier plans compared to before.

Actuary Comparison Results: Insure Montana contracted with an actuary to determine the "value" of Qualified Association Plans compared with Standard Healthlink, to ensure fairness in the determination of subsidy amounts. Jill asked the Board to approve that no adjustment in subsidy percentage be made if the deviation was less than 10%, because the difference in cost was so minimal that it was counterbalanced by the amount of labor required to calculate it. After lengthy discussion and examples, Bob so moved. Connie seconded, and the motion passed unanimously.

Financial Report: Projections are available but not actual numbers. If renewal occurred as of the date of this meeting, the increase would be 3.95%. The loss ratio appears reasonable.

Upcoming Meetings: For the next fiscal year, the Insure Montana Board will meet on Tuesday, December 8, 2009; Tuesday, March 9, 2010; Tuesday, May 11, 2010; and Tuesday, August 10, 2010. Time and location to be announced.

The meeting adjourned at 2:48 PM.